



Community Development Block Grant Housing Enhancement Grant Program Local Government Division

Introduction

Community Development Block Grant (CDBG) Housing Enhancement Grants offer flexible companion grants in coordination with the Housing Finance Unit (HFU) by providing eligible Washington State cities and counties the opportunity to partner with non-profit, low-income housing developers to assist in the development or preservation of housing projects. The purpose of the Housing Enhancement Program is to provide a flexible source of funds to streamline project financing and improve the feasibility and affordability of well-developed projects.

The Washington State CDBG Program is funded by the U.S. Department of Housing and Urban Development (HUD). The purpose of the state CDBG Program is to improve and maintain the economic and physical environment of eligible, non-entitlement cities and counties in order to enhance the quality of life for low- and moderate-income residents and, as a result, benefit the entire community.

Funds Available

\$800,000 in grant monies is available for Housing Enhancement Grants in 2006. Projects will be funded on a first-come, first-serve basis until funds have been fully used. Additional monies from the CDBG Contingency Fund may be used for priority projects on a funds available basis. Applicants should check as to fund availability prior to applying.

Eligibility Guidelines

- Housing Enhancement Grant requests must be identified within the Housing Trust Fund companion application.
- Only projects receiving Housing Trust Fund dollars may apply for Housing Enhancement Grants. Housing Enhancement Grants may only be used for activities that are not eligible for funding through the Housing Trust Fund.
- Eligible applicants are Washington State cities and towns with less than 50,000 in population or counties with less than 200,000 in population that are non-entitlement jurisdictions or are not participants in HUD Urban County Entitlement Consortium.
- Non-profit organizations, Indian tribes, and special purpose organizations such as public housing authorities, port districts, community action agencies, and economic development councils, are not eligible to apply directly to the CDBG Program for funding. However, eligible jurisdictions may choose to serve Indian tribes within their jurisdiction or to involve the other organizations in the operation of projects funded under the program.
- Projects must principally benefit low- and moderate-income persons. Low- and moderate-income is defined as 80 percent of county median income.

For More Information

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Eligible Activities

CDBG Housing Enhancement funds are available to cover project costs that **cannot be paid for using Housing Trust Fund dollars**, but are essential to the project's overall success. Examples of eligible costs include off-site infrastructure that is essential to a housing project and is considered an ineligible cost to the Housing Trust Fund. Housing Enhancement Grants can also be used to pay for the non-housing costs of projects that are an integral part of a comprehensive project. An example would include the costs of a day care facility that has been incorporated into the design of a project that is requesting Housing Trust Fund support.

Ineligible Activities

CDBG Housing Enhancement Grants may not be used to fund:

- New housing construction.
- Costs of equipment.
- Furnishings.
- Personal property not an integral structural fixture such as window air conditioners, washers, or dryers.
- Installation of luxury items, such as a swimming pool.

Contact CDBG program staff to confirm eligibility of a jurisdiction or a specific activity to be funded.